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Company Announcements Office
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SYDNEY NSW 2000

Nido Secures Farm-out to TG World for SC 54A

- **Agreement to farm-out 7.6% of Nido's interest in SC 54A (which includes the Tindalo development and Yakal discovery) to TG World Energy Corporation**
- **Nido to retain a 42.4% participating interest and Operator status**
- **Consideration totalling US\$6.79 million (~A\$7.6 million)**
- **SC 54A Joint Venture is working to commence oil production at Tindalo in 2Q 2010, targeting 7,000 – 15,000 bopd production**
- **Finalises Nido's Tindalo development funding strategy**

Nido Petroleum Limited (ASX: Nido) is pleased to announce that it has entered into an agreement with TG World (BVI) Corporation (TG World) to farm-out 7.6% of its current 50% interest in the highly prospective Service Contract 54 Block A (SC 54A), offshore, Northwest Palawan Basin, Philippines.

Consideration totals US\$6.79 million which comprises an immediate cash payment of US\$3.2 million, followed by set staged payments that will fall due at the commencement of production at the Tindalo oil field and, as subsequent crude oil cargoes from the field are lifted. Under the terms of the agreement TG World will also market its net share of the crude oil produced from SC 54A with Trafigura Pte Ltd.

Nido's Deputy Managing Director, Ms. Joanne Williams, said, "This farm-out finalises the Company's funding strategy for the Tindalo development. This additional cash will ensure that the Company maintains a healthy cash buffer on current estimates whilst consolidating our second revenue stream. We will be covered not only through the capital expenditure phase to Tindalo first oil, but also for the working capital requirements needed prior to receipt of the cash payment from the first cargo offloaded from Tindalo."

Ms Williams went on to say, "Nido is very pleased to conclude this agreement and welcomes TG World to the SC 54A Joint Venture. TG World has recognised the Tindalo oil field development and the SC 54A area in general, as a world-class opportunity. They are joining us at a very exciting time – the Tindalo project is now well advanced with in-field operations and oil production scheduled to commence in the coming months."

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TG World's President and CEO, Mr. Cliff James, said, "Our involvement in SC 54A not only provides near-term cash flow if successful, but also places us in the middle of a prolific development and exploration fairway. In addition to the four discoveries identified (Tindalo, Yakal, Nido 1X1 and Signal Head-2), SC 54A contains some 19 other identified pinnacle reef targets that may offer follow-up successes."

Mr. James went on to state, "The oil and gas potential and advantageous fiscal regime of the Philippines has been recently validated by the entry of major players in the Palawan Basin, including Shell, BHP Billiton and Exxon Mobil. Nido has had a good history in the Philippine oil and gas industry and we look forward to a fruitful working relationship."

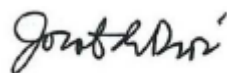
In conjunction with the signing of the farm-out agreement, Joint Venture partner Yilgarn Petroleum Philippines Pty Ltd, a wholly owned subsidiary of Kairiki Energy Limited (ASX: KIK), has advised Nido that it has also reached a similar agreement with TG World to farm-out 4.9% of Kairiki's 35% interest in SC 54A.

The farm-out agreement is subject to Joint Venture and Philippine government approvals and upon satisfaction of these conditions (and assuming that the corresponding agreements between Kairiki and TG World are also concluded) the participating interests in SC 54A will be:

Company	Previous Participating Interest	New Participating Interest
Nido Petroleum Philippines Pty Ltd (Nido) - Operator	50.0%	42.4%
Yilgarn Petroleum Philippines Pty Ltd, (Kairiki)	35.0%	30.1%
Trafigura Ventures III BV (Trafigura)	15.0%	15.0%
TG World (BVI) Corporation (TG World)	0.0%	12.5%

Work continues on the Tindalo project by teams in Nido's Perth and Manila offices. Nido will provide further updates on the progress of the project upon the achievement of major milestones towards first oil.

Yours sincerely



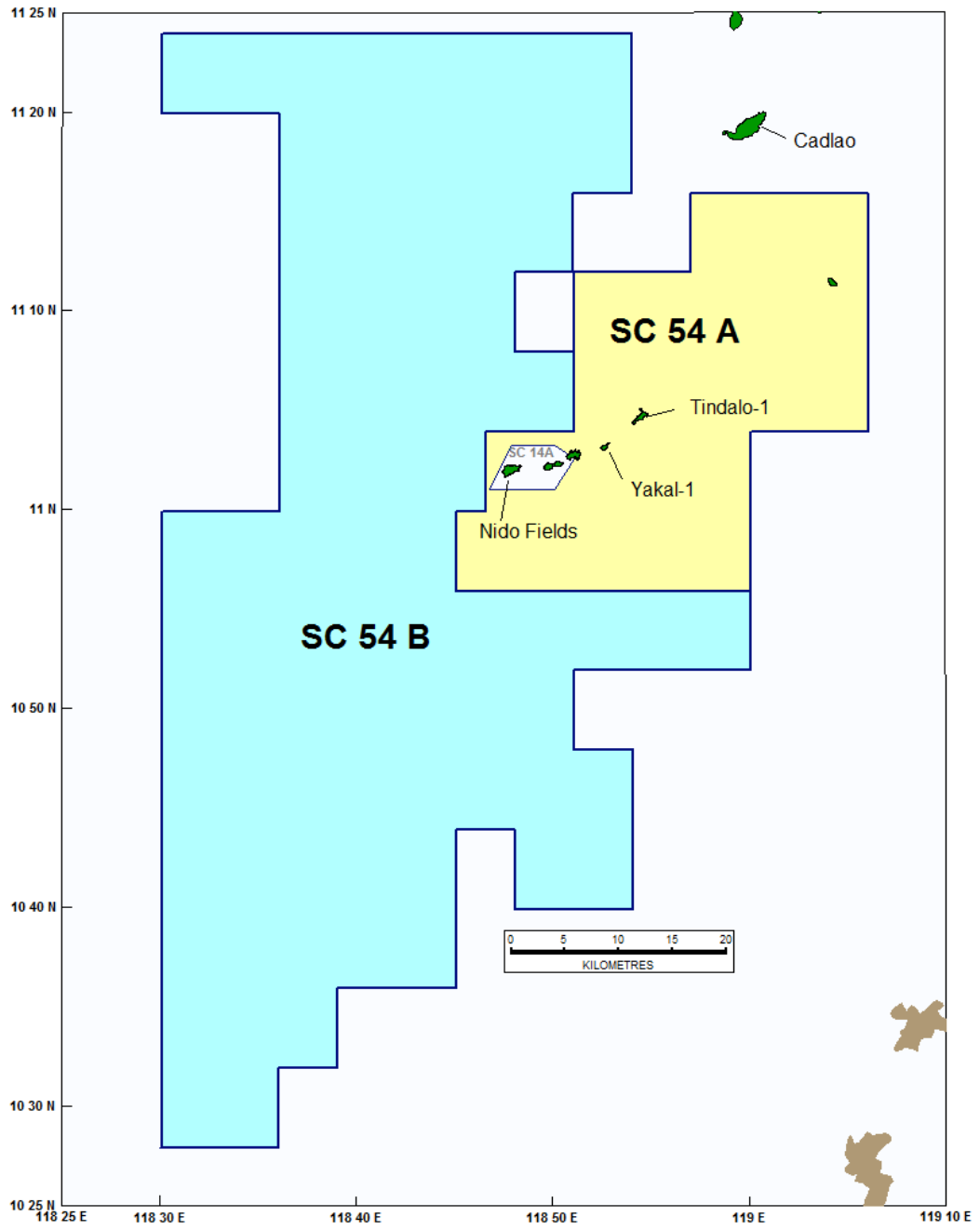
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SC 54A Location Map



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About TG World Energy Corporation

TG World is a Calgary-based, junior international oil and gas exploration company currently focused on Alaska and Niger.

TG World Energy Inc. (a wholly owned subsidiary of TG World) is partnered with operator Brooks Range Petroleum Corp., Alaska Venture Capital Group, Brooks Range Development Corp. and Ramshorn Investments Inc. in a joint venture that is pursuing oil and gas opportunities on the Central North Slope of Alaska. The joint venture has oil and gas activities in four geographical areas in Alaska: Slugger/South Thomson, Tofkat, North Tarn and the Beechey Point Unit, which borders the Prudhoe Bay oil development area. The joint venture intends to drill wells in the Beechey Point Unit this winter drilling season.

TG World Petroleum Limited (a wholly-owned subsidiary of TG World) ("TGWP") is partnered with operator CNPCIT, a unit of the China National Petroleum Company, in the Ténéré Block oil and gas concession in the Republic of Niger, Africa. TGWP has a 20% carried interest in the Ténéré Block, which contains the northern half of the Termit - Ténéré Rift, a large rift valley basin in the country. The southern half of this rift is located in the adjacent Agadem Block, where the Chinese National Petroleum Company holds several oil and gas discoveries. A security warning has recently been lifted in the Ténéré Block area and the operator is considering alternatives for potential drilling.

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About Nido Petroleum Limited

Nido Petroleum Limited is an oil and gas exploration and production company with over 2,945,000 hectares (29,450 sq km) of contiguous exploration and development assets in the North West Palawan Basin in the Philippines. Nido is a leading explorer in the North West Palawan basin and the company's exploration portfolio extends across both of the shallow (<100m) and deepwater (>1,200m) sectors of the North West Palawan continental margin which provides it with a diverse range of potential exploration and development projects in the Philippines premier producing basin. Nido operates SC 54A (50% interest), SC 54B (60% interest) and SC 58 (*50% interest). Nido also has a 50% non-operated interest in SC 63.

Nido's core producing asset is the Galoc oil field of which Nido has a 22.879% non-operated interest. Galoc lies within SC 14 in 300 metres of water, some 60 km offshore Palawan Island. First production commenced 9 October 2008 through a simple two-well sub-sea development concept tied back to a moored FPSO.

In 2008, Nido completed a successful two well exploration program in SC 54A which resulted a 100% strike rate yielding the Yakal-1 and Tindalo-1 oil discoveries. Nido is currently working to augment Galoc production by fast-tracking the development of the Tindalo field with first production planned for 2Q 2010.

**Subject to: completion of the obligations under the Farm-out Agreement with PNOC; and DOE approval.*

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